

Reducing MEP of non-basmati rice to boost export

3117. SHRI A. ELAVARASAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that out of the permitted export of non-basmati rice, 100000 tonnes of sona masuri, ponni and other varieties of rice have been exported this year;

(b) if so, the details thereof and whether it is also a fact that the main reasons for languishing exports is the high minimum export price at around Rs.38000 per tonne;

(c) if so, whether there is any proposal with Government to reduce the Minimum Export Price (MEP) of non-basmati rice to boost export; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) The EGOM in its meeting held on 9.2.2011 permitted the export of 1,00,000 MTs of Sona Masuri (from Chennai & Vishakhapatnam port), 25,000 MTs of Ponni Samba (from Tuticorin port) and 25,000 MTs of Matta rice (from Kochin port) which was notified through notification no. 21 dated 10.2.2011 and Public Notice No. 36 of 1.3.2011. A Minimum Export Price (MEP) of USD 850 per MT (PMT) for such exports was notified through Public Notice No. 37 dated 08.03.2011 and Public Notice No. 44 of 31.03.2011. During April, 2011 to July, 2011, 1.10 lakh tonnes of non-basmati rice has been exported. However, to remain price competitive in the international markets, the MEP of USD 850 was reduced to USD 600 PMT through Public Notice No. 72 dated 12.08.2011.

(c) and (d) The EGOM, in its meeting held on 8.9.2011, permitted the export of non-basmati rice through all Electronic Data Interchange (EDI) ports only to be effected by the private parties out of privately held stocks without any explicit quantitative restriction or MEP.

SEZs for promotion of exports

†3118. SHRI RAM JETHMALANI:

SHRI SHIVANAND TIWARI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

†Original notice of the question was received in Hindi.

(a) whether it is a fact that Government had set up Special Economic Zones during past years to promote export from the country;

(b) if so, the total number of sanctioned zones and the number of zones out of them not functional till September, 2011;

(c) whether these, not-functional zones have availed all the economic relief, etc. given by Government; and

(d) if so, facts in this regard and the total amount of economic relief received under the announced scheme?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) and (b) The main objectives of the SEZ Act, 2005 are:-

- (i) generation of additional economic activity
- (ii) promotion of exports of goods and services
- (iii) promotion of investment from domestic and foreign sources
- (iv) creation of employment opportunities
- (v) development of infrastructure facilities

In addition to seven Central Government Special Economic Zones (SEZs) and 12 State/Private Sector-' SEZs set up prior to the enactment of SEZ Act, 2005, formal approval has been accorded to 582 proposals out of which 382 SEZs have been notified. A total of 148 SEZs are already exporting. Physical exports from the SEZs have increased from Rs. 2,20,711 crore approximately in 2009-10 to Rs. 3,15,868 crore approximately in 2010-11, registering a growth of 43.11%. The total physical exports from SEZs as on 30th September, 2011 i.e. in the first half of the current financial year, has been to the tune of Rs. 1,76,479.69 crore approximately registering a growth of 26.20% over the exports of corresponding period of the previous financial year. As per provisions of the SEZ Rules, 2006, an approval is valid for a period. of three years within which time effective steps are to be taken by the Developer to implement the approved proposal. On a request received from the Developer, the Board of Approval can further extend the validity.

(c) and (d) The fiscal concessions and duty benefits allowed to SEZs are inbuilt into the SEZ Act, 2005. These exemptions are in the nature of incentives for export and infrastructure creation and are consistent with the principles that guide export promotion initiatives of the Government in general.

Audit of SEZs

3119. SHRI D. BANDYOPADHYAY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what specific steps have been taken by Government to ensure that Special Economic Zones do act as engines of growth of the export sector;

(b) the SEZ-wise details of actual growth of exports and earnings of foreign exchange vis-a-vis revenue foregone during the last three years;

(c) whether any independent auditing has been conducted in the last three years to ascertain the functioning of SEZs; and

(d) if so, whether they have fulfilled the objectives for which they were set up?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) Special Economic Zones are administered under the Special Economic Zones Act, 2005 and rules made there under. The performance of the SEZ units are monitored annually by the Unit Approved Committee and the units are liable for penal action under the provision of Foreign Trade (Development and Regulation) Act, 1992 in case of violation of the conditions of the approval.

As on 30.09.2011, over Rs.2,77,258.79 crores have been invested in the SEZs and direct employment of 7,32,839 persons has been generated in the SEZs. During the financial year 2010-11, total exports to the tune of Rs.3,15,867.85 crores have been made from the SEZs, registering a growth of about 43.11% over the exports for the year 2009-10. Exports in the current financial year (i.e. upto 30.09.2011) have been to the tune of Rs. 1,76,479.69 crores.

The fiscal concessions and duty benefits allowed to SEZs are in built into the SEZ Act, 2005. These exemptions are in the nature of incentives for export and are consistent with the principles that